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TRADE AND DEVELOPMENT BOARD
Commission on Trade in Goods and
Services, and Commodities
Meeting of Experts on Strengthening the Capacity
and Expanding Exports of Developing Countries in the
Services Sector: Health Services
Geneva, 16-18 June 1997
Agenda item 3

INTERNATIONAL TRADE IN HEALTH SERVICES: DIFFICULTIES AND OPPORTUNITIES FOR DEVELOPING COUNTRIES

Agreed conclusions*

1. The Expert Meeting examined the situation in the health services sector with a view to identifying the opportunities and difficulties confronting developing countries in strengthening their supply capacity and expanding their exports in the services sector. The expansion of trade in health services could provide new export opportunities for developing countries, promote greater efficiency and do much to strengthen the capacity of all countries, in particular developing countries, to achieve the objective of assuring adequate health care to their populations. Experts recognized that the subject of this meeting constituted but one aspect of the sector and that the treatment of health services, in this or any other context, could not be divorced from social and ethical considerations. The considerable differences in the health sector across countries were acknowledged.

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* Adopted by the Expert Meeting at its closing plenary meeting, on 18 June 1997.

2. As with many other services sectors, the impact of globalization and technological progress is transforming the world's health services sector. As a consequence, a whole new set of challenges and opportunities has emerged and needs to be faced by policy-makers and private operators alike. The experts believed that these challenges and opportunities could have considerable implications for the work to be undertaken on trade in services in general and on this sector in particular. Some countries had already evolved effective export strategies which needed to be studied further. It was noted, however, that there were important barriers to international trade in health services. It was recognized that the movement of persons, both as consumers and as services suppliers, was of particular significance in the sector. The experts highlighted the relevance, inter alia, of nationality and residency requirements, licensing, recognition of qualifications, national health financing policies and portability of insurance. Attention was also drawn to the growing importance of cross-border trade and of commercial presence in the delivery of health services. The need for solutions to the long-standing problem of brain drain was also emphasized, as was the need for appropriate application of norms and standards.

3. It was recommended that health service sector data on trade flows and market size and composition be improved with a view to the elaboration of studies about the situation in this sector, taking into account differing country experiences. It was also noted that such improvements could be of value to studies of other service sectors. UNCTAD and WHO at the global and regional levels should collaborate in joint studies on relevant issues, such as the interface between equity, social and trade issues related to health services and investigate the possibility of disseminating information through the establishment of a global server on health services in the INTERNET. It was also recommended that the opportunities of the GATS and regional agreements be fully exploited. The experts also underlined the importance of technical cooperation for strengthening the capacities of developing countries in the health services sector. Due regard should be given in any work that may be undertaken to the special situation of the least developed countries.

4. The experts appreciated the methodology that had been laid out in the background documentation and the approach that had been adopted in the Meeting, particularly the opportunity for exchange between health and trade experts which permitted consideration of the interaction between social and commercial factors. In the context of this experience, they recommended that future expert meetings could examine the opportunities presented by advances in information technologies and new business techniques for an expansion of trade in services sectors taking into consideration the development dimension.